

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 3973
TO BE ANSWERED ON 19.12.2024

SMALL BUSINESSES THROUGH MSMEs

3973. SHRI RAHUL KASWAN:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether there is any plan made to set up small businesses in all the districts and villages across the country through micro and small enterprises;
- (b) whether a bank network is likely to be established for supporting such businesses;
- (c) the details of the terms and conditions including limits of loans likely to be made available from these banks;
- (d) the percentage of unemployed people likely to get employment from these small businesses; and
- (e) the amount of funds spent for such a proposal during the last three years in the country, State-wise including Rajasthan?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a) to (e): The Ministry of Micro, Small and Medium Enterprises (MSME) does not set up MSMEs in any State. The MSME sector consists of private players and investments in this sector are made by the entrepreneurs themselves. The Central Government supplements the efforts of the State/UT Governments through various schemes, programmes and policy initiatives for promotion, development of MSMEs in the country, including the State of Rajasthan.

Besides, Ministry of MSME has taken various steps for the promotion and development of MSME sector. Some of these steps are given below:

- i. New revised criteria for classification of MSMEs.
- ii. No global tenders for procurement up to Rs. 200 crore.
- iii. "Udyam Registration" for MSMEs, for Ease of Doing Business w.e.f. 1.7.2020. Since the adoption of the revised definition of MSMEs on 01.07.2020, a total of 5.65 crore enterprises have been registered on Udyam Registration Portal and Udyam Assist Platform with an employment of 23.88 crore persons.
- iv. Inclusion of Retail and Wholesale traders as MSMEs w.e.f. 2.7. 2021.
- v. Non-tax benefits extended for 3 years in case of an upward change in status of MSMEs.
- vi. Launch of Udyam Assist Platform on 11.1.2023 to bring Informal Micro Enterprises under the formal ambit for availing the benefits under Priority Sector Lending.
- vii. Equity infusion through Self-Reliant India Fund.
- viii. As announced in Union Budget 2022-23, Credit Guarantee Scheme for Micro and Small Enterprises was infused with Rs. 9,000 crore as an addition to the corpus of Credit Guarantee Fund Trust for Micro and Small Enterprises in FY 2022-23 and FY 2023-24 to ensure facilitation of an additional Rs. 2 lakh crore of guarantee coverage in subsequent 4 financial years. This target has been achieved in two and half years (FY 2022-23 – FY 2024-25) across the country.

As per RBI, outstanding credit to MSMEs has increased from Rs. 15.10 lakh crore in March, 2019 to Rs. 27.2 lakh crore in March, 2024.
